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C O N F I D E N T I A L SECTION 01 OF 03 PORT AU PRINCE 002289

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SUBJECT: PREVAL II: THE HONEYMOON'S OVER

REF: A. (A) PAP 2273 <u>¶</u>B. (B) PAP 2219

Classified By: Ambassador Janet A. Sanderson, reason 1.5(b) and (d).

- 11. (C) Summary. There is increasing talk among Haitians these days about malaise and government inertia. President Preval, now seven months into his term, i seen as isolated and distracted. Reports of dissntion within his inner circle, a poor legislativ record to date, and a failed disarmament policyhave helped contribute to the impression of a government adrift. The GOH has yet to decisively take control of the security situation and a recent uptick in kidnappings has Port-au-Prince on edge. Public unease has manifested itself in a series of small demonstrations, increasingly critical press, and much discussion around the dinner table, but does not appear to threaten Preval's hold on power. For now, the President's immediate challenge is whether he can or will play against type and make some real progress on the ground. Preval often talks about a small window of opportunity for his presidency's success - he needs to take advantage of it now. End summary.
- ¶2. (C) As they prepare to go to the polls Sunday for local elections, Haitians are talking more openly of government inertia and inaction. President Preval, now seven months into his term, is seen as isolated and distracted. Widely rumored to be in love with his events scheduler, the President has become the butt of local jokes. His relationship with Prime Minister Jacques-Edouard Alexis has always been tempestuous, though they have weathered their problems in the past. his part, the PM is visibly unhappy with his role and with his up-and-down relationship with the President. Parliament has little to show for its first session; many of its members, particularly those of the upper house, have spent almost as much time overseas as they have on the floor. Despite some positive news on the economic front, nothing has been done about Haiti's unemployment problem, garbage is piling up in the cities, and electricity outages are even more frequent. Two brutal kidnapping/murders of children in Port-au-Prince have focused Haitians on the government's failings on the security front. The current atmosphere is worrisome to many of our contacts, even those who support Preval.
- $\P 3$. (C) The President recognizes this growing frustration but has done little thus far to address it. He told me that he will continue to keep working behind the scenes, rather than strike out on a bold new path. He brushes aside any

suggestion that government has stalled, although he does tell friends privately that when he assumed office, he found the country's problems much worse that he anticipated. In meetings, he is alternatively upbeat and defensive about key issues, such as security. He has continued his efforts to reach out to business and political leaders, although these sessions are apparently fewer and farther between. The President's plan to begin traveling around the country on December 1 to press the flesh has been put on hold as he leaves for Cuba to celebrate Castro's birthday with Daniel Ortega and others. Another international trip, this one to Costa Rica, is slated for December 10.

- (C) The new administration has indeed been slow off the mark, in part due to Preval's reluctance to delegate. Key GOH initiatives, such as judicial and educational reform and improving the infrastructure, have bogged down. Apart from the 2007 budget, little signficant government-sponsored legislation has been submitted to Parliament; papers and progams are delayed. The government's highly vaunted disarmament policy is floundering. Sensitive issues, such as the vendetta between HNP Director of Judicial Police Lucius and a magistrate, were allowed to play out in public too long. Rumors of disagreements between the president and his colleagues, including both PM Alexis and long-time advisor Bob Manuel (who just returned from yet another "vacation" in Guatemala), are pervasive. Preval has publicly dressed down cabinet officials for their perceived failures, later telling a colleague that the ministers are "good men", but not sufficiently experienced. For their part, ministers report having little contact with the president -- or being micromanaged by him.
- 15. (C) A recent up-tick in kidnappings in the last few weeks, PORT AU PR 00002289 002 OF 003

after a period of relative calm, reinforces the popular view that the government has yet to get a real handle on security. Although the Prime Minister recently ascribed renewed violence to our resumption of deportations, some GOH officials privately acknowledge the government is at a loss to deal with the matter. Preval still maintains tight control over the security function but often sends conflicting signals to both the HNP and MINUSTAH. His famous statement of "disarm or die" to the gangs notwithstanding, GOH security policy has shown little teeth thus far. A number of contacts blame the contradictory GOH response for the renewed violence; increasingly, the President's talks with gang leaders are coming under attack. Friends of the President report that he was shocked that mourners at the funeral of a young girl murdered two weeks ago (ref A) castigated him for negotiating with the gang lords. Assessing the security situation, Preval has tended to blame others - MINUSTAH, the drug lords, the international community, the deportees. It is less clear if he believes that he bears any responsibility as well. (Note. This is a pattern we are seeing in other areas as well. End Note.)

- 16. (C) Preval argues that Haitians must take the long view of their circumstances. Security, he has said to me, is a short term problem, not a long term issue. It will be solved sooner or later. The longer term issues, including judicial reform, economic opportunities, education and health, are the areas in which Haitians should focus their attention, he says. That being said, Preval has done virtually nothing to convey to the Haitian people his goals or his vision for the future. For example, we often find it hard to get an official GOH representative to attend USAID project openings, even those in which the president or prime minister has expressed a particular interest. Even Preval's friends fault him for his reluctance to communicate his vision, to rally the country around and speak frankly about the challenges ahead. The President doesn't want to do it -- and he won't let the Prime Minister try.
- ¶7. (C) The current wave of public malaise has taken a variety

of forms. There have been a few scattered small demonstrations (less than 1000 people, often much less) over the past month in front of the Presidency and the Parliament. These appear to represent a collection of causes from shareholders of a failed banking and credit institution to anti-globalization students supporting Castro and Chavez. We have not been able to discern any specific political backing or intent to these demonstrations, but cannot rule out that they are -- or will be -- manipulated by those wishing to undermine Preval. Public criticism, both from the private setor and the press, are on the upswing: two prominnt business leaders argued passionately for morethan an hour at my Thanksgiving table whether Preval has failed or not in his first months at post

- 18. (C) Obscured in the handwringing underway is the fact that there has indeed been some good news since Preval's inauguration. Compared to one year ago, the overall security climate has actually improved in the capital and the countryside is relatively calm. There is now a visible HNP presence on the streets of Port-au-Prince and deeper HNP engagement with MINUSTAH. Political discourse is on going; Haiti's civil society is beginning to play a significant role in public debate. Economic indicators show some signs of modest growth and inflation is trending downward, while remittances and government revenues are up. Most observers believe that Sunday's local elections will go forward without incident. The government has released a number of prisoners detained for excessive periods without trial. However, much remains on the government's agenda and there is little sense thus far that it, or the President, has established clear priorities.
- 19. (C) Comment. The question is, of course, what does all this really mean seven months into the Preval mandate? Is he truly in trouble? The short answer is no. It's way too early to write Preval II off, although there are those (as always in Haiti) who are quite willing to do so. The President retains much of the popularity built during his first term, particularly in the countryside though the foundation of that popularity, his willingness to travel among the people and speak plainly, is slowly crumbling. If he gets off the stick, moves his government to act and gets

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out of the Palace, this malaise will fast be forgotten. The real question is, will he do it? Frankly speaking, it's hard to imagine Rene Preval making a significant change in his style or outlook; it seems to go against both his nature and his character. But he is a shrewd politician, if not a particularly inspired one, as well as a survivor, and he is smart enough to know that his window of opportunity won't stay open long.
SANDERSON